

GARY R. HERBERT Lieutenant Governor

State Utah DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER Executive Director

Division of Oil Gas and Mining

JOHN R. BAZA
Division Director

July 13, 2007

Gus Gaviotis Cotter Corporation PO Box 700 Nucla, CO 81424

Subject: Request for Business Entity Name and/or Associated Actions, Cotter Corporation N S L, Papoose, M/037/084, San Juan County, Utah

Dear Mr. Gaviotis:

During June 2007, the Division received a Surety Bond Rider increasing the bond amount from \$94,700.00 to \$117.300.00 However, it has been discovered that Cotter Corporation N S L entity no is expired with the State of Utah Department of Commerce. Until this important matter is resolved, the Division cannot process your Surety Bond Rider. Therefore, the Papoose mine is not in compliance with the Division, which could result in further fines or the issuance of a Cessation Order.

You must contact the State of Utah Department of Commerce to update Cotter Corporation's expired status and provide the Division documentation demonstrating Cotter Corporation N S L is a valid entity.

Please ensure these required actions gain your prompt attention so this permit is in compliance with state regulatory requirements.

If you have any questions please contact Jed Pearson, Minerals Surety Coordinator at 801-538-5382 or e-mail bondcoordinator@utah.gov

Sincerely,

Susan M. White Mining Coordinator

Minerals Regulatory Program

Susan M. White

SMW:JP:pb Fed Ex

cc:

Daron R. Haddock, DOGM Jed Pearson, DOGM Susan White, DOGM Beth Ericksen, DOGM

